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# Spotlight ON FOREIGN MARKETING



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TO U.S. AGRICULTURAL ATTACHES AND FAS STAFF MEMBERS

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NEW ARS PROJECT TO HELP PROMOTE WIDER USE OF U. S. SOYBEANS IN JAPAN. Agricultural Research Service will soon send one of its top researchers to Japan to aid existing market development projects for increasing sales and uses of U. S. soybeans. Dr. A. K. Smith, an authority in protein properties isolation and food uses, will leave shortly for Japan to make the survey. He is chemist in charge of this research at the Regional Utilization Laboratory, Peoria, Illinois.

Dr. Smith will investigate the possibilities of processing U. S. soybeans in a manner to make them more acceptable to the Japanese people as food. Various Japanese foods, including tofu and miso, are made from soybeans, utilizing the entire bean -- not just the oil or meal. Up to the present time, however, domestic and Chinese beans are preferred by the Japanese for this purpose. U. S. soybeans are used in Japan primarily for crushing for oil and meal.

Dr. Smith will seek to determine the factors such as taste, color and odor, which contribute to this preference for other than U. S. soybeans, and to discover means of making U. S. beans acceptable in such food products.

This project will mark the first time that ARS utilization research has been included as part of our efforts to promote sales of U. S. farm products abroad under Section 104(a), Title I, P.L. 480. It is possible that the precedent set by this initial research project may lead to similar work in other countries. Attaches are asked to check such possibilities in their own areas of operation.

WEST GERMANY BECOMES DOLLAR MARKET FOR U. S. POULTRY. A Title I, P.L. 480 sale of over 4 million pounds of ready-to-cook poultry to Germany last year has paved the way for a new dollar market for this product.

Recently the German Government issued a dollar tender for broilers, hens and turkeys. It is expected that the quantity shipped under this tender will approach the 1956 shipments. Total import licenses have already been issued. Deadline for contracting is three months after receiving the import license. However, delivery is expected to be completed before Christmas. Through efforts of the attache in German Government limited the quality to Grade A.

Before last year's Title I sale U. S. ready-to-cook poultry was an untried product in Germany. Proof that market development under P. L. 480 can lead to dollar sales is evident in this case. Also through the efforts of the attache and the U. S. poultry industry, German consumers are learning to like our ready-to-cook broilers.

In announcing the dollar tender for U. S. poultry, Germany did not disclose the total amount so it is hoped that additional import licenses may be issued.

There are opportunities for ready-to-cook poultry to enter the dollar market in other countries. This can be made possible through market development efforts.



JAPAN'S PREFERENCE FOR COTTON IS GROWING. Japanese consumers are showing a decided liking for cotton fabrics over home-manufactured rayon. The upward trend in cotton sales continues despite local efforts to promote home-manufactured synthetics over imported fibers like cotton and wool. Japan's adverse balance of payments is a problem because of increased consumption of clothing and other manufactured soft goods made from imported materials.

During the past year sales of cotton yard goods have increased 15 to 20 percent, and sales of made-up goods even more. There are four reasons for cotton's advance over rayon: (1) cotton prices have declined; (2) finishing of cotton fabrics (like shrink proofing, fast color dying, wrinkle resistance) have been so improved that, for all intents and purposes, new fabrics have been created, while rayon has not been improved for 20 years; (3) new attractive designs are being offered, and (4) new special qualities and designs of cotton fabrics are being intensively and shrewdly promoted and advertised.

GREECE OFFERS GOOD PROSPECTS FOR U. S. FEED INGREDIENT MARKET. Two U. S. agricultural specialists in Greece see prospects of an expanded market for U. S. soybeans and feedgrains through increased production of livestock and poultry in Greece. The two men are in Greece to participate in the 22nd Annual International Trade Fair in Salonika. They have had discussions with agriculturalists, farmers, and government and banking officials. They also conferred with U. S. grain exporter representatives.

The Greek Government plans to increase meat, milk and egg production as a step toward improving the country's agricultural economy. Greek officials are reported to be favorably impressed with the success of the U. S. broiler industry, especially the latter's high efficiency in converting feed into meat.

JAPAN'S SEED REQUIREMENTS INCREASE. Increased requirements for grass and legume seeds by Japan were announced by the Forage Improvement Section of the Ministry of Agriculture and Forestry. The statement was based on the recently adopted long-term program for converting low-use hill lands into productive forage and pasture crops for dairy and meat animals. The Hokkaido program, which has been under way for several years, has demonstrated the effectiveness of this project. Under the new plan it is to be extended to similar areas throughout the country.

During the 1956-57 marketing year Japan imported approximately 1.4 million pounds of grass and legume seeds from the U. S. This is many times more than the imports in the previous year.

UNDESIRABLE WHEAT VARIETIES NAMED--The USDA recently named 31 varieties of wheat--eight more than last year--which are undesirable because of inferior milling or baking qualities and will be discounted 20 cents a bushel in price support rates on the 1958 wheat crop. The varieties named as undesirable were designated by the Agricultural Research Service after consulting with State Experiment Station personnel, agronomists, cereal chemists, and other State and Federal personnel. More details on this, including a list of the undesirable wheat varieties, are available upon request from FAS Grain and Feed Division.

NOTE TO ATTACHES: Please report promptly all imposed or threatened restrictions on imports of U. S. farm products.

CCC MONTHLY SALES LIST FOR SEPTEMBER 1957. These commodities are available for sale during the month: Butter, nonfat dry milk, cheddar cheese, wool, cotton (upland and extra long staple), cotton linters, peanuts, corn, wheat, oats, barley, gum rosin, and gum turpentine.

Main changes in the list this month are a shift to a new-crop (1957) basis of minimum pricing for domestic sales of rice and dry edible beans, and the reinstatement of competitive bid sales of flaxseed for export. Soybeans have been dropped from the September list because stocks have been reduced largely to less-than-carload lots.

Interest rates per annum under the CCC deferred payment program for September 1957 are 4-3/8 percent for periods up to six months, 4-7/8 percent for periods from over six and up to 18 months, and 5-3/8 percent for periods from over 18 months up to a maximum of 36 months.

NO EXPORT PAYMENTS TO BE MADE ON CITRUS FRUITS. USDA announced no export payments will be made on fresh and processed oranges and grapefruit of 1957-58 crop. Request that export payment program be established for 1957-58 crop was made by industry representatives at a meeting in Washington, Aug. 23, 1957. Officials said decision has been made in view of possible disrupting influence on world trade in citrus fruits and export opportunities of other domestic fruit industries.

OLD CROP TOBACCO SOLD. Tobacco growers' associations have sold all the U. S. price support stocks of 5,600 hogsheads for dark air-cured tobacco of the 1950 and older crops offered on April 9--mostly on competitive bid for export. About 10,000 of a total of 13,000 hogsheads of fire-cured tobacco of the 1950 and older crops have been sold, also mostly on competitive bid for export.

TOMATO POWDER - for sauce, soup, juice, dry prepared mixes - is about ready for general use following completion of research by USDA. Already in limited commercial production, the powder mixes readily with water, is packaged to keep moisture content low and holds its quality even under severe storage conditions.

ATTACHES ARE RECEIVING COPIES OF THE REVISED OFFICIAL GRAIN STANDARDS OF THE U. S. It gives in detail changes which were announced in "Spotlight" No. 4 (3-15-57).

A MARKET DEVELOPMENT PROJECT FOR CITRUS has been worked out with the Florida Citrus Commission to promote new markets for U. S. citrus fruit in Western Germany. The promotional project will be financed with local currencies generated through Title I, P.L. 480 programs and through dollar contributions from the cooperator.

NOTE: Proposal to raise quality standards of fresh apples for exports, reported in August 21 SPOTLIGHT, is approved and becomes effective October 11, 1957.

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TABLE I, GUIDE TO COMMERCIAL SALES

| Commodity          | Unit          | Grade, Type<br>or Variety | Location       | Latest Price<br>week of<br>9/6/57 | Price<br>Year<br>Earlier |
|--------------------|---------------|---------------------------|----------------|-----------------------------------|--------------------------|
| Wheat              | Bushel        | #2 H. W.                  | Galveston      | \$2.33-2.43                       | \$2.39-2.47              |
| "                  | "             | #1 S. W.                  | Portland       | 2.35                              | 2.11-2.12                |
| "                  | "             | #2 S. R. W.Vessel         | Baltimore      | 2.37                              | 2.32                     |
| Grain Sorghum      | 100#          | #2 Yellow Milo            | Ft. Worth      | 2.05-2.10                         | 2.28-2.33                |
| Cottonseed Oil     | Pound         | B.P.S.Y.                  | Sept.Fut.N.Y.  | .1504                             | .1398                    |
| Soybean Oil        | "             | Refined                   | New York       | .1400                             | .1388                    |
| Cottonseed Oil     | "             | Crude                     | Valley         | .1250-.1262                       | .1200                    |
| Soybean Oil        | "             | Crude                     | Decatur, Ill.  | .1138                             | .1112-.1125              |
| Linseed Oil        | "             | Raw                       | Minneapolis    | .1350                             | .1260                    |
| Soybeans           | Bushel        | #1                        | Chicago        | 2.4125                            | 2.34                     |
| Lard               | Pound         | Refined 50# tin           | Chicago        | .1525                             | .13125                   |
| Tallow             | "             | Prime Inedible            | Chicago-FOB    | .0775                             | .06625                   |
| Greases            | "             | Choice White              | " "            | .0950                             | .07375                   |
| Cottonseed Meal    | Sh. Tn.       | 41% Bagged                | Memphis        | 55.50                             | 55.00                    |
| Soybean Meal       | " "           | 44% Bagged                | Decatur        | 57.50                             | 54.00                    |
| Cheese             | Pound         | Cheddar                   | Wis.Prim.Mkts. | .34125-.36                        | .34-.35875               |
| Milk, Evap.        | Case          | 48-14 1/2 oz.             | Pac.Cst.Mkts.  | 5.95-6.45                         | 5.80-6.30                |
| Eggs, Shell        | Doz.Med.      | Mixed colors              | New York       | .3950-.4050                       | .3100-.3150              |
| " Dried            | Pound         | Whole                     | " "            | 1.04-1.10                         | 1.02-1.20                |
| Beef Trimmings     | "             | 75-85% lean froz.         | Chicago        | .3050                             | .2050                    |
| Beef Hearts        | "             | Regular frozen            | "              | .2300                             | .1200                    |
| Beef Livers        | "             | " "                       | "              | .1700                             | .1325                    |
| Pork Trimmings     | "             | " "                       | "              | .2600                             | .1800                    |
| Chicken, R. C.     | "             | Gr.A Broilers             | New York       | .3200-.3500                       | .3100-.3400              |
| Turkey, R. C.      | "             | Gr.A Beltsville           | " "            | .3950-.4000                       | .3450-.3500              |
| " "                | "             | Gr.A Toms                 | " "            | .3400-.3500                       | .3300-.3400              |
| Canned Apricots    | Doz. #2-1/2   | Choice Halves             | FOB-Calif.     | 3.15                              | 2.90                     |
| " Peaches          | Doz. #2-1/2   | " "                       | " "            | 2.75-2.85                         | 2.85-2.875               |
| " Pears            | Doz. #2-1/2   | " "                       | " "            | 3.50                              | 3.40-3.50                |
| Grapefruit Secs.   | Doz. #303     | Fancy, Lt.syrup           | FOB-Florida    | 1.60                              | 1.50                     |
| Orange Juice       | Doz. 46 oz.   | Sweetened                 | " "            | 2.15                              | 2.85                     |
| Oranges, Fresh     | Std. Ctn.     | Size 63 Valencia          | FOB-Calif.     | 1.65                              | --                       |
| Oranges, Fresh-FLA | 1-3/5 bu. bx. | All except Temple         | 10 markets     | 4.45                              | 5.65                     |
| Lemons, Fresh      | Std. Ctn.     |                           | FOB-Calif.     | 2.78                              | 3.25                     |
| Raisins            | Lb.Bulk       | Natl. Thompson            | FAS-Calif.     | .1275-.13                         | .115                     |
| Prunes             | Pound         | 80-90                     | " "            | .1025-.105                        | .12-.125                 |

TABLE II, C. C. C. PORT PRICES FOR EXPORT

| Commodity       | Unit   | Grade, Type<br>or Variety     | Port<br>Location  | Latest Prices            | Date of Sales<br>1957 |
|-----------------|--------|-------------------------------|---|--------------------------|-----------------------|
| Cotton          | Pounds | Upland                        | Storage location<br>including port-<br>stored cotton.<br>Does not reflect<br>compress<br>charges or<br>charges of<br>moving to port | \$ .2754                 | August 27             |
| Cotton, linters |        |                               | SOLD OUT  |                          |                       |
| Rice            | Cwt.   | Milled                        | FAS Gulf  | 6.53 - 7.01              | August 26             |
| Barley          | Bushel | No. 2                         | N. W. Ports   | .90-5/8 - .91-1/8        | August 29             |
| Corn            | "      | No. 2 Yellow                  | No. Atlantic  | 1.26-3/4 - 1.30-3/4      | August 26-30          |
|                 |        |                               | Gulf  | 1.22-3/4 - 1.26-3/4      |                       |
|                 |        |                               | Laredo  | 1.39-1/4 - 1.43-1/4      |                       |
|                 |        |                               | Pacific   | 1.48-3/8                 |                       |
| Oats            | "      | No. 3 H. White<br>& No. 3 Red | No. Atlantic  | .50-5/8 - .51-1/8        | August 29             |
| Peanuts         | Pounds | Shelled                       | Gulf Ports  | .0641 - .0722 TKC        | August 29             |
| Butter          | Pounds | Grade A                       | Any U.S. Port   | .39 (fixed)              | August                |
| Milk, NFDS      | "      | Spray                         | Any U.S. Port   | .099 (fixed)             | August                |
| Wool            | "      | Fine, Staple &<br>French      | Boston  | 1.45 - 1.47              | August                |
| Tobacco         | "      | 1947-50 Crop<br>Fire Cured    | At Warehouse  | .10 - .25<br>(bid price) | August                |
| Beans           | Cwt.   | Red Kidneys                   | Pacific Area  | 6.81 - 7.02              | August 27             |
|                 |        | Great Northern                | Warehouses  | 6.41                     |                       |
|                 |        | Baby Limas                    |   | 4.58 - 4.975             |                       |